

SO ORDERED.

SIGNED this 04 day of August, 2009.


ROBERT E. LITTLEFIELD, JR.
CHIEF UNITED STATES BANKRUPTCY JUDGE

UNITED STATES BANKRUPTCY COURT
NORTHERN DISTRICT OF NEW YORK

In the Matter of:

THOMAS ORMSBY,

**SUPPLEMENTAL SETTLEMENT
APPROVAL AND COMPROMISE
ORDER**

Case No. 08-13627 - Chapter 7

Debtor(s).

The Trustee having filed on June 22, 2009 a Notice of Motion and Application of Settlement Compromise in relation to settlement of a motor vehicle related personal injury claim pursuant to Court Order of appointment of special litigation counsel dated March 31, 2009 and Bankruptcy Rules 2016, 9007, and 9019, and Bankruptcy Code §330, 541 and 704, and a hearing been noticed for July 15, 2009, and the underlying litigating parties having negotiated a settlement of the issues and related damages for a total of \$50,000.00. There was opposition filed to the relief requested by Ruth Ormsby a domestic support obligation (DSO) claimant represented by Bruce James Donadio, Esq. who appeared and withdrew the objection and supported the settlement and payment of special counsel fees and the Trustee's administrative expenses. O'Connor, O'Connor, Bresee & First (Shannon Frazier, Esq, of counsel) appeared for the Debtor. The U.S. Trustee's Office having appeared by Kevin Purcell, Esq. and the Debtor

having claimed a personal injury exemption of \$7,500 which was objected to by Ruth Ormsby; and the Court having reviewed the pleadings and considered all materials before it, and entered an Order approving the settlement on July 17, 2009. The Court adjourned part of the motion to disallow the Debtor's claim of personal injury exemption to allow for discussions between the Debtor and claimant's counsel until July 29, 2009 at which time all of the aforementioned parties appeared to present a settlement to the Court. Debtor's counsel agreed and stipulated to reduce the claim of personal injury exemption to \$1,000. Ruth Ormsby's counsel agreed and stipulated to accept a claim DSO allocation of \$6,500 together with a further estate advanced DSO allocation of \$3,500 (total of \$10,000) all being authorized to be paid from the estate's personal injury settlement. The aforesaid parties agreed to file a written stipulation dated July 29, 2009 with the Court. Ruth Ormsby's counsel represented on the record no governmental agency claimant was entitled to any DSO funds and she was able and agreeable of disgorging the funds, if any such claim was allowed. Based upon all the pleadings, written presentation, above stipulation, oral representation, and documents before the Court, it is hereby

ORDERED, ADJUDGED, AND DECREED, that the objection to the Debtor's claim of \$7,500 as and for a personal injury exemption is settled as allocated set forth herein above and the Trustee is authorized and directed to pay \$1,000 to the Debtor and \$6,500 to the DSO claimant within 14 days of receipt of the settlement funds, and it is further

ORDERED, ADJUDGED, AND DECREED, based upon the aforementioned representation the Trustee is authorized and directed to pay an additional \$3,500 (for a total of \$10,000) to domestic support obligation claimant, Ruth Ormsby within 14 days of receipt of the settlement funds from special counsel, and it is further

ORDERED, ADJUDGED, AND DECREED, that the aforesaid \$10,000 paid to Ruth

Ormsby shall be disgorged and repaid by her to the bankruptcy estate upon application to the Court by the Trustee for return of the same after the claims expiration of October 14, 2009.

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